

## Administrative Memo

**Date:** February 15, 2022  
**To:** School Administrators  
**From:** Chris Neale, Assistant Commissioner, Federal Relief Programs  
**Subject:** FAS-22-001 — Maintenance of Equity Requirements

The Department of Elementary and Secondary Education (DESE) announces guidance for local education agencies (LEAs) to meet Maintenance of Equity (MOEquity) requirements under the American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER) funds, also known as ESSER III. LEAs receiving ESSER III funds are advised to carefully review this memo, the associated guidance, and view or participate in the webinar scheduled for February 24, 2022, at 2:30 p.m. Briefly summarized, the requirements of MOEquity include identifying high-poverty schools that are protected from disproportionate reductions in per-pupil staffing or per-pupil funding from state and local sources.

While the requirements for MOEquity apply to all LEAs receiving ESSER III funds, statute provides for LEAs to be automatically excluded/excepted. LEAs may be automatically excepted if the LEA

- Has a total enrollment of less than 1,000 students;
- Operates only a single school; or
- Serves entire grade spans within one school.

DESE published a list of LEAs with their [exception status](#) on February 9, 2022. Because automatic exceptions were identified through data DESE already has, DESE will maintain documentation on behalf of the excepted LEAs through the electronic Planning and electronic Grants System (ePeGS).

LEAs that are not automatically excepted must establish whether they qualify for other exceptions or if they meet the requirements through MOEquity calculations outlined in the [LEA Maintenance of Equity guidance document](#). If an LEA has not experienced an aggregate reduction in state and local funding, it qualifies for a state-level exception and must upload a Certification of Exception to DESE using the form in Appendix A of the LEA Maintenance of Equity guidance document. If an LEA has experienced an aggregate reduction in state and local funding and believes it has an exceptional or uncontrollable circumstance, the LEA must apply for an exception to the U.S. Department of Education.

LEAs that do not have an exception under the scenarios above must perform per-pupil funding and per-pupil staffing calculations to determine whether it is in compliance with MOEquity requirements. Details on the calculations and actions needed are in the LEA Maintenance of Equity guidance document. DESE will provide technical assistance to those LEAs that are not in compliance.

DESE wishes to emphasize the importance of reviewing the guidance document and participating in the MOEquity webinar on February 24, 2022, at 2:30 p.m. Further details will be announced through the DESE Update e-newsletter. The webinar will be recorded and posted after February 24 in the [Webinars Hosted section of DESE's COVID-19 webpage](#). If, after viewing the webinar and reviewing the guidance document, you have questions or need further information, please contact Kim Oligschlaeger, Coordinator of ESEA Finance, at [Kim.Oligschlaeger@dese.mo.gov](mailto:Kim.Oligschlaeger@dese.mo.gov) or 573-751-8643.